

Government Administration and Elections Committee

March 18, 2016

Senate Bill 439: An Act Concerning the State Contracting Standards Board and Requirements for Privatization Contracts

Senator Cassano, Representative Jutila, Ranking Members, and members of the Government Administration and Elections Committee:

My name is Stephen Anderson and I am the President of CSEA SEIU Local 2001, a labor union which represents thousands of workers employed in the private sector, as well as state and municipal governments throughout Connecticut. **I am testifying today on behalf of CSEA in support of Senate Bill 439: An Act Concerning the State Contracting Standards Board and Requirements for Privatization Contracts, with some technical changes.**

Front line state workers can tell you from firsthand experience that the state's past experience working with outside contractors and consultants has often led to unanticipated problems and cost overruns. Given the state's current budgetary situation, it is more important than ever that the Contracting Standards Board functions as it was intended. The purpose of Senate Bill No. 439 is to correct the shortfalls in state statutes that are hampering the board's efforts to reign in wasteful contracting.

The mission of the Contracting Standards Board is to ensure that state contracting and procurement processes reflect the highest standards of integrity, are transparent, cost effective, and consistent with the statutes and are conducted in the most efficient manner possible and all procurement should create economic opportunity for Connecticut residents and businesses to the greatest extent possible and consistent with applicable laws. Sadly, the Contracting Standards Board has often been prevented from fulfilling its mission due to unfilled positions, making it impossible for the board to reach a quorum. This inability to reach a quorum has resulted in 9 of the last 13 monthly meetings of the Contracting Standards Board being canceled. One of the purposes of this Senate Bill No. 439 is to change the quorum requirements to allow a majority of appointed board members to conduct business.

Senate Bill No. 439 also adds language explicitly stating that if no savings are generated from entering into a contract with a consultant, then the state shall not enter into that contract unless the agency provides a written explanation of its decision to enter into a privatization agreement when the agreement doesn't provide savings. This language is necessary as we continue to see the state entering

into contracts despite evaluations finding that consultants are considerably more expensive than the cost of state employees.

There are also some technical issues that should be corrected before this bill becomes law.

- On line 72 of the bill, the legislation should read: "state if the contract is performed by **the contractor**, the state..."
- On line 133 of the bill, the legislation should read: "with such modifications as it shall deem necessary and appropriate",
- On line 162, "completing" should be replaced by "after the agency completes." as the liaison is not likely to be the one performing the analysis.

The General Assembly should make every effort to maximize the value of each tax dollar spent, and that begins with a functioning Contracting Standards Board. Connecticut wants to ensure our tax dollars are being spent wisely: **Please support Senate Bill No. 439.**

Stephen Anderson
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